

Changes for 2013 Edition of the IHCD Rental Housing Tax Credit Compliance Manual

The following list of changes does not include minor formatting or grammatical changes.

Section 1: Introduction

- 1.5- Clarified that Affirmative Fair Housing Marketing Plan and Lead Based Paint requirements apply to TCAP funded properties

Section 2: Responsibilities

- 2.1(B)- Added clarification on different titles used for the extended use agreement
- 2.2(G)- Added comment about responsibility to maintain agreed upon services, amenities, and special needs units throughout the extended use period
- 2.2(J)- Added clarification on when the first Annual Owner Certification is due for properties with TCAP or Section 1602 funding
- 2.2(N)- Added section on Affirmative Fair Housing Marketing Plans

Section 3: Key Concepts and Terms

- 3.4- Added clarification that the 8609 Line 8b election affects the applicability of the 100% recertification exemption

Section 4: Income Limits, Rent Limits and Utility Allowances

- 4.1(B), 4.2(D) & 4.2(E)- Clarification on “relying” on income and rent limits during the 45 day implementation period after release of a new set of income and rent limits
- 4.1(D)- Added chart showing income/rent limit release dates and 45 day implementation periods from 2009 and beyond
- 4.2(D)- Clarified that the gross rent floor election can be found in the Carryover Agreement
- 4.3(F)- Clarified prohibited fees

Section 5: Compliance Regulations

- 5.2(F)- Added additional guidance on verifying need for a live-in aide
- 5.3(A)(2)- Affirmative Fair Housing Marketing Plan must be created using HUD Form 935.2A. This policy was previously announced in RED Notice 12-43. Also clarified the applicability of these requirements.
- 5.3(B)- Added Fair Housing definition of disability and verifying disability
- 5.3(B)(1)- Added information on service animals
- 5.3(B)(3)- Added information on steps to process reasonable accommodation and modification requests
- 5.4- Clarified that this guidance also applies to tax credit projects with CDBG, CDBG-D, or NSP funding, not just HOME.

- 5.4(D)- Added information on “Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity”
- 5.4(G) & 5.5(C)- Added sections on ongoing lead-based paint requirements

Section 6: Qualifying Tenants for RHTC Units

- 6.3(B)(2)- Added clarifications on using paystubs and using bank statements
- 6.4(B)- Added clarification on sporadic income, seasonal income, and unsecured income
- 6.4(C)- Added definition of actual income from assets
- 6.8(A)- Added clarifications on general lease requirements including comments on lease renewal requirements and handling cosigners
- 6.8(A)- Added list of available IHCD sample lease addenda documents
- 6.8(E)- Added clarifications on good-cause for eviction or termination of tenancy

Section 7: Compliance Monitoring Procedures

- 7.5(A)- Added clarification on when the first Annual Owner Certification is due for properties with TCAP or Section 1602 funding
- 7.8(D)- Updated penalty fees for 2013
- 7.8(E)- New section on modification fees – Note this is an existing policy through the QAP that has just never been addressed in the compliance manual

Section 8: Extended Use

- Introduction Paragraph- added final sentence stating the owner may not request approval for the Extended Use Policy until such time that all buildings in the development have completed their fifteen year compliance period
- 8.2(B)- Clarified documentation needed to request exemption
- 8.2(B)- Added policy that IHCD will retain \$1500 of an exemption fee if an exemption request is denied and that the owner must then wait at least one year before resubmitting
- 8.2(C)- New paragraph on foreclosure
- 8.2(D)- Introduced term “decontrol period”

Section 9: Noncompliance

- 9.10- Added comment about tenant fraud as material noncompliance with the lease
- 9.10- Added list at end of section with tips to document that tenant fraud occurred
- 9.11- Added item #3 to the list of potential penalties

Section 10: Glossary

Added definitions for the following terms

- Actual Income from Assets
- Decontrol Period

- Disabled (for purposes of Fair Housing)
- Qualified Contract
- Service Animal

Forms / Appendices

- Revised Form #15 “Tenant Non-employed Status Certification”
- Updated Appendix K to include the most current version of HUD Form 935.2A for Affirmative Fair Housing Marketing Plans
- Updated Appendix K to include the new HUD guidebook on mixing HOME and tax credits